Better work is done in the detailed discussion of events in the market for the precious metals, with which the remainder of the work is occupied. There is some rather neat use of statistics showing the movements of the precious metals, and intelligent inferences are drawn regarding the effect of these movements upon the ratio. On the other hand, the author has not neglected the statistics of gold and silver production nor the course of political events nor the effects of legislation; though, naturally, less attention is paid to these latter factors. Some chronological tables, presented by way of easy review of the occurrences of the time, are especially to be commended. While it is probably true that a chronological method of discussing the years in question is far from being ideal, it must be said that in Dr. Bonn's hands the story moves with considerable cumulative effect and leads naturally and convincingly to the conclusion that:

> It was not the abolition of the bimetallic system that first gave the signal for the first decline in the price of silver, four pence, during the years 1870–1873. It was a previous fall in the price, resulting from uncertainty of the silver market, and the fear of an increased supply, that necessitated the abolition of the French double standard.

Throughout the whole treatment, however, there is an absence of references and citations that is trying to the careful reader, and is probably responsible for a number of manifest errors that appear in the statistics and tables. The weakness displayed in the earlier part of the monograph reappears toward the end, where the author, in endeavoring to sum up his conclusions and to apply his results to the bimetallic problem, shows once more a tendency to lean heavily upon a few secondary sources of information.

In general, Dr. Bonn's monograph contributes little of fresh interest to the problem it treats. Some portions of it may be convenient for reference and there are passages that show skill in the handling and presentation of material, but a 'prentice hand is too apparent, and there is often a tendency to write with the shears rather than with the pen. On the whole, *Schwamm darüber!*

H. P. W.

Notes sur le productivisme et le comptabilisme. By ERNEST SOLVAY. Bruxelles: Henri Lamertin, 1900. 8vo, pp. 172.

SEVERAL Belgian economists and sociologists—notably MM. Hector Denis, Ernest Solvay, and Guillaume de Greef—have, at

various times during the last few years, put forth arguments in favor of a plan to which they gave the title "social comptabilism." Of the members of the group, M. Solvay has always seemed to be most completely under the influence of the new idea, and his utterances on the subject have generally indicated a hopeless infatuation. The impression created by his former writings is by no means relieved in this volume of *notes*, a collection of essays,—chiefly reprinted from the *Annales de l'Institut des Sciences Sociales*—of parliamentary speeches, and of various *obiter dicta*. It must be confessed that it has always been open to doubt, just how much of his talk was meant as sober earnest by M. Solvay. But the appearance of this collection, including as it does additional light on the subject of "productivism," may be taken perhaps as a pledge of the author's seriousness, and may entitle his plan to brief analysis and criticism by economists.

But what is "comptabilism?" Put in this cold form, the question might perhaps prove a knock-down blow even for M. Solvay himself, for the topic seems to be enwrapped with so complicated a swaddling of quaint and curious sociological verbiage and terminology that the lay reader has difficulty in disentangling the author's new-born idea. Stated roughly, however, the essential feature of "comptabilism" seems to be a system for making all payments and transfers of values without the use of money. And in this form the notion, far from being new, appears as a discredited old derelict, in America at least, since it is precisely analogous to what has long been known as "mutual banking." Money is to be abolished and in its place is substituted a system of government currency, issued against a pledge of property, synchronous with the transactions for whose consummation it is issued, and easily withdrawn when the need for it has passed. The idea is the same, whether we suppose with the "mutual bankers" that the currency is issued in the form of greenbacks, or with the "comptabilists" that it takes the form of checks drawn upon credits granted to check-book holders and cleared in a government "comptabilist" establishment.

An elaborate criticism of the theory behind this notion would be superfluous. Yet it may be noted how M. Solvay seeks to avoid the rock upon which the "mutual bankers" have always split. The point of difficulty in the "system" is the question: How dispense with a metallic basis; in other words, how get a clear notion of the standard of value, if the precious metals be absolutely discarded? To this

query M. Solvay responds with some very curious reasoning. After all, he says, the value of money is largely conventional. An exchange is merely the transfer of a stamped substance called a coin for another substance that has been put into some form which fits it for everyday use. The respective usefulness or desirability of the two substances determines the proportions in which they exchange. But this usefulness or desirability in the case of money depends upon the fact that it serves a social purpose, by acting as a medium of exchange. Any other substance properly marked, limited in quantity, etc., would have the same value and answer every purpose. Bryan himself could not have spoken more oracularly. But, unlike Bryan, M. Solvay really comes at last to the theoretical point at issue:

> The mathematical fiction . . . . of invariability in the comptabilist unit is legitimate. It is clear that a being of infinite power could at a specified moment of time, fix at any or every place the value of an indefinite number of things whose value varies, expressing such values as functions of the value of some one of these things, taken as unity, and their value so fixed would be constant during a time infinitely short in duration. From the instant when such a unit had been so chosen and employed, though it had had in fact only a momentary existence it would nevertheless remain unchangeable in time and space. It would be the abstract unit of which we have been in search.
>
> How should we, for instance, know that silver has fallen in value; that the five-franc piece is not really worth today more than about three francs, if what we call the franc had not retained its original value, thus assuming the character of an absolute standard? Does anyone say that it is known by comparison with the value of gold? But, though the value of gold may be less variable than that of silver, it varies nevertheless. And can anyone believe that, if the gold standard had never existed, we should not be precisely at the same point, so far as concerns perfect knowledge of the actual value of the five-franc piece? To put the question is to answer it in the affirmative, of course: the metal has fallen in value, the unit has not, it is invariable.

Probably this reasoning could not readily be followed by any save a true inflationist. It recalls some of the metaphysical subtleties of the *First Battle*, and criticism may be dispensed with. It is interesting, however, to note the process by which M. Solvay proposes to pass from the "barbarous" system where money is used to a régime of pure "comptabilism." He suggests that the national bank of Belgium be turned into a "comptabilist" institution which shall deliver to individual, corporations, etc., check or account books, which they may

use in drawing upon it, to an amount previously fixed by their hypothecating with the bank goods to the same amount, or leaving with it their own notes guaranteed by some responsible third party. These checks or accounts are then to be offset against one another by the bank, and new books issued to those owning balances after settlement of accounts.

Curious as is the idea of "comptabilism," the concept "productivism" is still more difficult to unravel. It appears to be the pursuit of such a policy on the part of society as will result in keying the productive capacity of every individual up to the highest pitch, by giving to him such training and industrial opportunity as will enable him to make the "best" use of his abilities—an idea reminiscent of the socialist law of distribution, "to each according to his needs." This conception is expressed in the vague "law" laid down by M. Solvay, that "Social progress obeys the principle of satisfying the personal interest of the average social man." Just what the meaning of such a statement might be is perhaps not very clear, though some notion of the practical application of the idea is found in M. Solvay's *Productivist Formula*, where it is set forth that each communal administration should seek to take stock of, guide, and educate such capacities in the inhabitants as will be likely to meet social needs of a universal character. To this end, the departments of public administration should begin to extend their activities, taking charge of natural monopolies, and seeking to afford full scope for abilities in government service. Such a policy would mean equality of opportunity to all.

Further criticism of such a volume is needless. It is little else than a host of familiar economic errors, masquerading in a *soi-disant* scientific guise under a mask of sociologic terms and obscurations.

H. P. W.

Commercial Federation and Colonial Trade Policy. By JOHN DAVIDSON. London: Swan Sonnenschein & Co., 1900. 12mo, pp. 155.

IN this work Professor Davidson discusses the commercial relations of colonies, in especial those of Great Britain, with the mother country. Herein, he thinks, lies the greatest and most permanent of all colonial questions. Other points of interest in connection with colonies—